

Group Led by C.I.A. Board Nominee Reportedly Got \$15,000 From Agency

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WASHINGTON, Feb. 19 — A private humanitarian organization headed by Leo Cherne, one of President Ford's appointees to a new committee that will investigate possible abuses of authority by the Central Intelligence Agency, reportedly received some \$15,000 of C.I.A. funds in the mid-1960's that were channeled through a New York City philanthropic organization.

Frank Weil, President of the Manhattan-based Norman Foundation, said in a telephone interview today that he was approached by "a mysterious gentleman" from the C.I.A. in 1963 or 1964 and asked to pass about \$15,000 in Government funds to the International Rescue Committee, of which Mr. Cherne was then chairman of the board.

Mr. Weil recalled that the funds had been earmarked for a medical services project in what was then the Belgian Congo that was being supported by the rescue committee. But he said he was uncertain whether Mr. Cherne or anyone else there had been told that the money was from the C.I.A. and not from the foundation's endowment.

Mr. Cherne, reached at his New York City office, said that neither he "nor any official of the I.R.C. had the slightest knowledge that any of those funds were C.I.A. funds."

He said that the committee, which he has headed since 1951, had "never sought C.I.A. funds" and would not have "welcomed" them if they had been offered overtly.

On Previous Board

President Ford announced on Tuesday that he was naming Mr. Cherne to the newly established intelligence oversight board, set up as part of Mr. Ford's reforms of intelligence community operations to monitor the C.I.A.'s activities for possible illegalities or improprieties.

Mr. Cherne had previously been a member of the President's Foreign Intelligence Advisory Board, which Mr. Ford abolished yesterday.

The Norman Foundation, formerly known as the Aaron E. Norman Fund, was among the institutions identified publicly in 1967 as those that had served as "conduits" for C.I.A. financing of a number of domestic organizations, principally the National Student Association.

Those disclosures prompted President Johnson to establish an investigating committee to look into the agency's relationships with domestic groups, and Mr. Johnson subsequently ordered all Federal agencies to halt their covert funding of such organizations.

Keeping Independence

Mr. Cherne, who described the committee as one of his hobbies, said that he had tried diligently over the years "to maintain the independent status" of the organization, saying that he believed that its freedom from government associations was crucial to its work abroad.

Asked why, in the wake of the 1967 disclosures, he had not asked the I.R.C. to recheck

its sources of financing to make certain that the committee had Freedom House's executive not unwittingly taken any C.I.A. money, Mr. Cherne replied that that was the "silliest question since 1945. I've ever heard."

It would have been next to impossible, he said, to cull the contribution records of an organization that raised in the neighborhood of \$3 million each year to examine them for donations that might have initiated with the C.I.A. but reached the rescue committee or the \$3,500 committee "two or three times removed."

Mr. Cherne, who sounded distressed at the disclosure by Mr. Weil, later spoke with Gail Jones, whom he identified as the I.R.C. fund-raise through whom the Norman money was received, and reported that Mr. Jones had not "the foggiest" that the Norman Foundation had not been the initial source of the money.

Mr. Cherne is an economist by profession and executive director of the Research Institute of America, which publishes newsletters and advisory pamphlets for businessmen.

He was vice chairman in 1972 of Democrats for Nixon and has been associated with such organizations as the Citizens' Committee for a Free Cuba, the Council Against Communist Aggression and the Citizens' Committee for Peace with Freedom in Vietnam, according to the records of Group Research.

One of the foundations identified in 1967 as having cooperated with the C.I.A. in covert financing efforts was the J. M. Kaplan Fund, also of New York, and which over the years has contributed not only to the rescue group but also to Freedom House, an organization that monitors and reports on the degree of freedom that exists in other countries of the world.

Mr. Cherne is chairman of Freedom House's executive committee, and has been associated with the organization since 1945.

An executive of the Kaplan Fund said today, however, that his foundation's cooperation with the intelligence agency had been limited to the underwriting of a single program in the 1960's, and that none of the \$21,500 given by it to the rescue committee or the \$3,500 given to Freedom House had been supplied by the intelligence agency.

The Kaplan Fund, according to tax records compiled by Group Research, an organization here that monitors the activities of private foundations, gave the I.R.C. \$10,000 in 1968 for assistance to refugees fleeing Czechoslovakia after the Soviet invasion that August.

The committee received another \$10,000 from the fund in 1971 for assistance to Bengali refugees displaced by the Pakistani ar, and \$1,000 in 1963 to aid refugees in South Vietnam.

Weil Is Disputed

Mr. Weil's recollection that the C.I.A. money given to the committee had been used to support the Belgian Congo medical program, which offered its services to Angolan refugees and others in the area, was disputed by Andrew Norman, also an officer of the Norman Foundation.

Mr. Norman said he recalled that the agency money passed through his foundation to the I.R.C. had gone to support some effort in Latin America, the details of which he said he could not remember, and that the amount involved had been a "maximum of \$15,000."

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